

March 29, 2021

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VIA E-MAIL and OVERNIGHT DELIVERY

Ariella Thal Simonds (asimonds@ktbslaw.com)
Thomas E. Patterson (tpatterson@ktbslaw.com)
KTBS LAW LLP
1801 Century Park East, 26th Floor
Los Angeles, California 90067

Re: In re Sizmek, Inc., et al., Case No. 19-10971 (Bankr. S.D.N.Y.)

***Demand for Return of \$271,092.87 Security Deposit Previously Held in Trust
by Debtor Sizmek DSP Inc. for the Benefit of Nitel, Inc.***

Dear Ms. Simonds and Mr. Patterson:

This firm represents Nitel, Inc. ("Nitel") with respect to the above-referenced jointly administered bankruptcy cases, which includes a case filed by debtor Sizmek DSP, Inc. (the "Debtor"). It is our understanding that your firm represents Cerberus Business Finance, LLC, as administrative agent and collateral agent for secured lenders Cerberus Business Finance, LLC and PEPI Capital, L.P. (collectively the "Secured Lenders"). Nitel was the sublessee of approximately 32,115 rentable square feet of space located on the 13th Floor, described as Suite 1300N or Suite 1300, of 350 North Orleans Street, Chicago, Illinois (the "Subleased Premises") pursuant to a sublease (the "Sublease") between Nitel and the Debtor. Prior to its bankruptcy filing, the Debtor held a security deposit of \$271,092.87 in trust for the benefit of Nitel (the "Security Deposit").

Under the terms of the Sublease, Nitel is entitled to the return of its full Security Deposit. It is our understanding that the Secured Lenders swept all cash from the Debtor's accounts on or about March 25, 2019, including the Security Deposit. The Security Deposit was not property of the Debtor and was not the Secured Lenders' collateral. Accordingly, the Secured Lenders' exercise of control over the Security Deposit constitutes conversion of Nitel's property under applicable Illinois law.

Demand is hereby made for return of the Security Deposit in full. Payment should be made via check payable to Nitel, Inc. and should be sent to the following address:

Jason M. Torf
Ice Miller LLP
200 W. Madison St.
Suite 3500
Chicago, IL 60606-3417

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If the Secured Lenders have not returned the Security Deposit in full by **April 5, 2021**, Nitel will commence legal action for return of the Security Deposit.

Please let me know if you have any questions or would like to discuss this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "J. Torf", with a stylized flourish at the end.

Jason M. Torf

cc: John C. Cannizzaro